

SOUTH KITSAP FIRE DISTRICT NO. 7
Kitsap County, Washington
January 1, 1988 Through December 31, 1990

Schedule Of Findings

1. The District Should Comply With The Open Public Meetings Act

On the weekend of March 5, 6, and 7, 1993, the district commissioners met at Port Ludlow, Washington, for a retreat. Port Ludlow is a resort community approximately 40 miles from the fire district office. The district spent \$1,697.85 plus associated travel expenses for the retreat.

State statutes allow board meetings outside the boundaries of the territory over which the public agency exercises jurisdiction. However, action taken in such meetings must be thoroughly documented to ensure the public purpose.

Although board minutes were kept, they simply stated, "No official action taken." It is not reasonable to believe the board met for three days and did not discuss fire district business. To believe otherwise would be cause to question the basic public purpose of the meeting.

RCW 42.30.030 states:

All meetings of the governing body of a public agency shall be open and public and all persons shall be permitted to attend any meeting of the governing body of a public agency, except as otherwise provided in this chapter.

RCW 42.32.030 states:

The minutes of all regular and special meetings except executive sessions of such boards, commissions, agencies or authorities shall be promptly recorded and such records shall be open to public inspection.

RCW 42.30.020 states in part:

(3) "Action" means the transactions of the official business of a public agency by a governing body including but not limited to receipt of public testimony, deliberations, discussions, considerations, reviews, evaluations, and final actions.

By holding the meeting so far away from the district's boundaries and not taking proper minutes, the district excluded the public from participating in district business. Without a proper record to show the business transacted there exists an uncertainty as to the genuine public purpose of this meeting and whether it was reasonable or necessary to hold it at Port Ludlow.

The commissioners held their meeting during the weekend at Port Ludlow because they wanted to keep disruptions to a minimum. However, they were unaware their discussions

are defined as actions by state statute and should have been duly recorded as a public record.

We recommend proper minutes be kept of all board meetings.

2. The District Should Improve Internal Control Over Cash Receipts

The fire district did not always use receipts to track money received by the district office. When receipts were used they were not pre-numbered.

RCW 43.09.200 states in part:

The accounts shall show the receipt, use and disposition of all public property . . . all sources of public income, and the amounts due and received from each source. . . .

By not always using pre-numbered receipts, errors and irregularities may occur and not be detected by management in a timely manner.

District management was unaware that by not receipting money and the use of unnumbered receipts could lead to possible misappropriation of district funds.

We recommend the district use pre-numbered receipts for all money received by the district.

3. The District Should Segregate Duties In The District Office

The district's administrative assistant was responsible for imprest and travel funds and their reconciliations; the preparation of the district's expense vouchers, including reimbursement of the imprest and travel funds; bank statement reconciliations for all funds; and preparation of daily deposits and reconciliation with the county treasurer's cash reports.

By letting one employee perform all these duties, the district increased its risk that errors, omissions, or irregularities could occur and not be detected by management in a timely manner.

Until recently, the district was unable to segregate some of these duties because there were not enough people in the office.

We recommend the district segregate duties in the district office.